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"C O N F I D E N T I A L SECTION 01 OF 02 JERUSALEM 001476

SIPDIS

NEA FOR FRONT OFFICE. NSC FOR ABRAMS/SINGH/PASCUAL

E.O. 12958: DECL: 08/06/2018  
TAGS: [KWBG](#) [PBTS](#) [PREL](#) [PHUM](#) [IS](#)  
SUBJECT: YESHA COUNCIL LEADER DAYAN: "TWO STATE SOLUTION  
IS DEAD"

REF: A. JERUSALEM 1343  
[B](#). JERUSALEM 1260  
[C](#). TEL AVIV 220

Classified By: Consul General Jake Walles, per reasons 1.4 (b) and (d)

[1](#). (C) SUMMARY: Yesha Council Chairman Dani Dayan confirmed recent settlement approvals by Israeli MOD Barak and showed Poloff areas under construction on July 24. Dayan, who is secular but leads an exceedingly religious constituency, addressed the challenges he sees for the settlement movement and evolutions in Yesha's leadership structure. He recognized the problem of settler violence, but said he "cannot control them (the extremists)." Dayan urged the U.S. to admit the "the two state solution is dead" and said "the status quo should be the goal for now." END SUMMARY.

New Construction at Maale Shomron; Praise for  
Recent MOD Hebron and Maskiyyot Approvals  
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[2](#). (C) Poloff met July 24 with Yesha Council Chairman Dani Dayan in the northern West Bank settlement of Maale Shomron. He observed ten houses under construction at the settlement and one caravan under construction in the neighboring outpost of Elmatan (pre-March 2001). Poloff also observed a new road connecting Maale Shomron to the Neve Aliza section of the neighboring Karnei Shomron settlement, which is exclusively inhabited by AmCits and where 15 luxury homes are being constructed. "We're able to build here and there," Dayan said.

[3](#). (C) Dayan welcomed the recent MOD approvals of twenty permanent houses at the northern Jordan Valley settlement of Maskiyyot and of a new building for Hebron's Beit Romano yeshiva (REFS A-B). "Within a few weeks," he said, there will be "a discussion" with the MOD on Migron outpost, the largest of the post-March 2001 outposts (REF C).

Changes in Yesha Council  
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[4](#). (C) Dayan said the quality of the mid-level leadership of the settler movement has declined, referring to the four regional council chairmen from Hebron Area, Gush Etzion, Binyamin, and Samaria that report directly to him in the Yesha power structure. (Note: Dayan became the Chairman of the Yesha Council in 2005 after the Gaza evacuation. End Note.) "Avi Roeh is no Pinchas Wallerstein", he said, referring to the changing of the guard in Binyamin (Ramallah area); Gershon Mesika, the newly elected Samaria (northern West Bank) chairman, is a "simple man with no leadership skills."

[5](#). (C) Dayan acknowledged the recent increase in violence against Palestinian by extremist settlers, but said, "I can't

control them (extremists)."" He said he has discussed the issue with the INP, but that ""there are provocations"" by Palestinians.

""Two State Solution is Dead""

16. (C) Dayan said ""the Gaza experience killed the two-state solution...It's a shame they've taken the land and used it as a launching pad against Israel rather than building a state.""

He added, ""Syria, Egypt, and Jordan can all accommodate a Palestinian state on this land but the Palestinians cannot...They'll continue to advocate for all of this land."" Dayan said he believes the goal for now is ""the status quo,"" rather than a negotiated solution. ""The creation of a Palestinian state now will mean the end of Israel,"" he said. Dayan said he wants improved human rights and economic conditions for Palestinians, ""including what you (the U.S.) advocate on roadblocks and checkpoints."" About a potential settler compensation bill in the Knesset, Dayan said, ""I'm an economist, and I know that some people will take it if the price is right""

Bio Note

17. (C) Dayan and his wife moved from Tel Aviv to a West Bank caravan in 1988. Dayan is not religious, drives on the Sabbath, and does not keep kosher. He is motivated by ideology. Dayan had a successful career in telecommunications before assuming his Yesha leadership role in 2005. He has a teenage daughter, and his wife is the

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marketing director for Ariel settlement's ""University Center.""  
WALLES  
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